

Meeting of the Socialist International Committee on Local Authorities Rosario, Argentina, 31 March-1 April 2000

On 31 March and 1 April, the Committee on Local Authorities met in the city of Rosario, Argentina, hosted by the Popular Socialist Party, PSP, and the Radical Civic Union, UCR.

Before the opening of the meeting a plaque was unveiled dedicated to the memory of Guillermo Estevez Boero, former PSP leader and a native of the city.

The themes on the agenda were 'Local authorities and the work market - social democratic policies for securing jobs and tackling unemployment' and 'Local democracy and citizens' participation'.

At the opening of the meeting, Hermes Binner, Mayor of Rosario, spoke of the role of the Committee and the International towards working for the "humanisation of cities", where themes such as decent housing, the protection of the environment, social security, education and solidarity between cities, and, on this occasion, work, had been central to discussions. "It is not by chance", he declared, "that the most profound cultural transformation in this globalised world has taken place in the sphere of work". The balance had changed, he asserted, from work being a "great social integrator" to the "absence of work leading to social marginalisation".

Local authorities, Binner contended, clearly had to work with national authorities in this area, but, as the experiences in Rosario showed, much could be done in supporting business, promoting employment and generating exports, and creating development agencies locally.

Luis Ayala, Secretary General of the International, underlined the importance of the theme of the discussions in Rosario. Full employment was, he said, "fundamental to our very identity". He continued: "Socialists can no longer be recognised only by their vision of principles and ideological message, but also in the actions of our governments."

In different parts of the world we were facing a common agenda "because there is only one world economy". So "the reality in which we work may be different, but the needs, the necessity for response, the challenges are common".

A challenge, Ayala concluded, for social democrats in Latin America was to increase the capacity for the integration of economies, societies and political agendas.

Ruben Giustiniani, General Secretary of the Popular Socialist Party, PSP, posed the question which had been asked fifty years ago: "Does politics still make any sense?" Socialists and democrats could answer affirmatively with all conviction, he maintained: "Today our politics has more sense than ever, because it is the way to organise life among people, the only way to organise people's lives with justice and freedom". The future of work was, he proposed, a very important theme and one that needed to be analysed through the concrete optic of the role of the municipalities.

Raul Alfonsin, President of the Radical Civic Union and former President of Argentina, signalled the importance of municipalities in all aspects of democracy and daily life. For it was at a local level, he considered, that "this fundamental ingredient of democracy today is put into action, that is participation". In terms of work, action taken in local authorities could be indispensable, he suggested, citing examples of small and medium-sized business. In this way, he argued, municipalities could fight social exclusion through work.

Cesare Salvi, Minister of Labour, Italy, spoke of the dramatic changes in the area of labour where such far-reaching globalisation went hand in hand with the technological revolution. Globalisation was however, he stated, "not a completely new phenomenon. It is a tendency which belongs to the history of capitalism and the market economy. The tendency of markets to expand beyond city, regional or national limits began many centuries ago". However, local authorities could have a concrete role in harnessing the potential of the 'new economy', he maintained. For example by having adequate infrastructures for new technologies of information and communication for all citizens, strengthening and modernising educational systems, creating networks of training and information centres, as well as networks of collaboration between small and medium-sized businesses.

Alberto Flamarique, Minister of Labour, Argentina, reflected that it was in local government where "the confrontation of opportunities, challenges and threats brought by globalisation produces the most tension" and which had to deal with the daily concern of such a conflict. The task today was how to introduce, within the framework of labour reforms, new ways of thinking about work, he stated, particularly in relation to the growing phenomenon of collectivity. In terms of the realities of the new forms of work, there were real questions to be asked about legislation and protection in the increasingly autonomous "electronic economy".

He further asserted that "social cohesion has to be present in globalisation. Globalisation cannot be achieved at whatever cost. Globalisation does not have to be a force which is detrimental to civilisations and cultures, of one over another. Globalisation has to be a phase of greater progress, equality and social justice for all humanity".

At the conclusion of the proceedings, the Committee adopted the Rosario Declaration, with the subtitle 'Local Authorities and the Labour Market: Social democratic policies to ensure work and to tackle unemployment', which stated that "the resulting challenge for cities is that of complementing the development of business with civilised forms of public-sector policies which have an immediate effect on unemployment and promote new social practices". The Declaration noted that there were clearly no "magic recipes" to increase employment and "the answer must come from active policies exercised in a committed way by different levels of government and strongly stimulated municipally".

These active policies included: the exercise of the autonomous rights of local governments; the income and expenditure policies of the municipality; the refining of special employment programmes and the creation of new urban skills; technical assistance backed by universities to new entrepreneurs and small and medium-sized businesses; the commitment of the whole formal system of education to the training of the workforce; the generation of local conditions for the growth of investment and application of technological innovation; the encouragement of jobs which allow part-time work and job sharing so as to foster employment opportunities for women, young people, the disabled and workers approaching retirement.

The Declaration went on to state that two considerations followed the call for active policies. Firstly, that they entailed explicit costs, which could not be financed exclusively by means of the efficient use of existing resources: "That is why municipal autonomy and budget policies are so important", it declared. It went on to propose that "the de-centralisation towards the cities of social programmes and programmes of infrastructure is a more effective way of insuring that employment opportunities are given to those that need them most".

Secondly, the exercise of active policies depended on the design and the application of appropriate institutions where public and private agents could cooperate, and thus allow greater citizen participation and greater decentralisation of decision making: "Thus, an active policy in the city is not the exclusive responsibility of the municipal government, but a task to be shared by those citizens who wish to participate in the shaping of a humane and fair city founded on work".

The Rosario Declaration pointed to the need "to foster the spirit of local association, decentralised cooperation and international solidarity in order to generate institutions in cities able to promote policies for the generation of employment and for remunerated work", insisting on the compelling need to create a Network of Socialist Solidarity among Cities (NSSC) for initiatives aimed at generating remunerated work in the short term.

ROSARIO DECLARATION

THE LOCAL AUTHORITIES AND THE LABOUR MARKET: SOCIAL DEMOCRATIC POLICIES TO ENSURE WORK AND TO TACKLE UNEMPLOYMENT

Original: Spanish

Work has always been par excellence the condition of the human race. The character of work has evolved as social life has evolved. Thus, work has been changing from the days of primitive societies to the present. Nowadays, given the dominant forms of organisation of production to the geographic concentration of production in urban capitalist societies, work mainly takes the form of urban salaried employment.

- The latest forms of integration of our countries to the world economy (referred to euphemistically as the "global village") have made urban unemployment the main political challenge. It is obvious that macroeconomic or sectorial policies, whenever they are applied, have not been sufficient to counteract the effects of economic globalisation, particularly in underdeveloped countries. The privatisation of public-sector companies, the reduction of staff because of new working patterns and production within companies, the shutting of plants or production lines because of the indiscriminate and sudden economic opening up of markets, have all resulted in an increase in urban unemployment. This increase has taken place despite the fact that only a very few countries have experienced acceptable rates of economic growth. This situation becomes more acute with the impact of the migration of people who, in the wake of regional economic crises, seek to settle in the cities which offer opportunities for survival.
- Social disintegration has been the other face of urban unemployment. Unemployment negates attributes of consumer and citizen formerly enjoyed by wide sections of society. Freedom and equality lose their meaning. The responsibility to counteract this state of affairs appears to be moving to municipal governments, without them having enough resources or attributes to implement solutions to the problems of unemployment.
- A trend is increasingly being noted among citizens, both individually and organised, to frame their demands in a municipal

context. This trend becomes even clearer when the growing importance of municipal organisations of employers and trade unions is taken into account. Such a process is the result of the difficulty which employers' associations and trade unions at the national level encounter when they respond to the various demands that globalisation makes on cities and regions.

- The challenge is so urgent and compelling for our cities, that repeating the slogan of "equal opportunities" does not seem enough. There is a decline in the ideals of the French Revolution — Liberty, Equality, Fraternity — which were adopted and developed by socialist movements in the last century. This echoes what Jacques Delors recently remarked in the context of the European Union: "Competition stimulates, cooperation strengthens, solidarity unites".
- Equal opportunities are a necessary condition in order to pursue equity, but they can hardly be an effective answer if they only serve to ensure that persons compete on equal terms within a system of unbridled capitalism, a system which has not been able, and probably will never be able to structurally solve the problem of unemployment. Equal access to health, education, professional training, justice and social security is not sufficient if there are no employment opportunities. For instance: if there is no remunerated work, there is no sustained and universal provision of healthcare or education.
- Therefore, it is necessary to ensure that there are equal opportunities to work. The resulting challenge for cities is that of complementing the development of the business with civilised forms of public-sector policies which have an immediate effect on unemployment and promote new social practices. There are old propositions which belong to the field of economic science: individual incomes cannot increase without an increase in productivity; productivity cannot increase without an increase in technical progress and higher levels of skill; the increase in employment is just a chimera without a sustained rise in savings and investment. For these propositions to become reality one school of political economy suggests the implementation of active policies which promote cooperation between public and private agents in the design, implementation and evaluation of policies. In other words, "social engineering" work is as important as the formulation of policies. These must answer the varied problems which our urban societies face (such as the statistically verifiable contradiction between the decrease in employment opportunities and the increase in real working time).
- There are no magic recipes to increase employment, and there is no one solution that will rise to the problem of unemployment. The right invariably holds that economic growth will solve urban unemployment and that a reduction in taxes can stimulate economic growth. This proposal is mere paganism. Of course, economic growth is a necessary condition which would make it easier for us to solve the moral problems of our urban coexistence. These problems can be summarised in the following question: how much of our personal income and our working time are we willing to give up in favour of the unemployed so that they can enjoy the fruits of culture, scientific knowledge and technical progress? These problems will persist until a more humane and fair society is attained and answers will have to be sought in the religious and socialist values which constitute some part of our contemporary culture but which are not sufficiently put into practice.
- On the other hand, if there is no single solution (and especially if it is a magic recipe arising from wishful thinking), then the answer must come from active policies exercised in a committed way by different levels of government and strongly stimulated municipally.
- Among other components of these active policies we can mention the following: the exercise of the autonomous rights of local governments; the income and expenditure policies of the municipality; the refining of special employment programmes and the creation of new urban skills; technical assistance backed by universities to new entrepreneurs and small and medium-sized businesses; the commitment of the whole formal system of education to the training of the workforce; the generation of local conditions for the growth of investment and application of technological innovation; the encouragement of jobs which allow part-time work and job sharing so as to foster employment opportunities for women, young people, the disabled and workers approaching retirement.
- We affirm that, among active policies, and in accordance with the Beijing platform, it is necessary to promote employment for housewives and to obtain equal remuneration for equal work done by women and men.
- Two considerations must follow this call for active policies. The first is that the exercise of active policies entails explicit costs, which cannot be financed exclusively by means of the efficient use of existing resources, including the reallocation of government expenditure. It is necessary to come to terms with the idea that solidarity expenditure, to ensure safe and fraternal coexistence in cities, will require an increase in municipal income. That is why municipal autonomy and budget policies are so important. Obviously, the redistribution of income which would come with the application of these active policies is also a way of counteracting the tendency towards the concentration of income which is a result of the dynamics inherent in capitalist markets.
- The de-politicisation of the resources of national and of provincial governments is just as important and related to the better focusing of expenditure. The de-centralisation towards the cities of social programmes and programmes of infrastructure is a more effective way of ensuring that employment opportunities are given to those that need them most. In opposition to neo-liberal positions that minimise the role of the cities, this role is seen to be essential. In this way municipalities will be able to play an effective part in the generation of decent jobs, and provide a legal framework for the better co-ordination of national, provincial and local powers.
- The second consideration, related to the previous one, is that the exercise of active policies depends on the design and the application of appropriate institutions where, as has been said, public and private agents can cooperate, and thus allow greater citizen participation and greater decentralisation of decision making. Thus, an active policy in the city is not the exclusive responsibility of the municipal government, but a task to be shared by those citizens who wish to participate in the shaping of a humane and fair city founded on work.

- These considerations are stated, although worded differently, in the Bologna Declaration (January 1995) and in the Fez Declaration (October 1998) which the Mayors of the Socialist International signed. In both meetings, the socialist mayors recognised that it was "an international socialist aim to promote local associations" (Bologna), and "improvements in aids to development by means of decentralised cooperation and international solidarity" (Fez).
- Along the same line, the Rosario Declaration points to the need to foster the spirit of local association, decentralised cooperation and international solidarity in order to generate institutions in cities able to promote policies for the generation of employment and for remunerated work. Since the first conference in 1995, socialist governments in cities of both the Northern and the Southern hemispheres have been putting into practice an expertise, acquired by institutions which, while perhaps not yet adequate, does nevertheless constitute a vast body of experience. Of course, good examples demonstrated in the administration policies of cities with governments of other political colours should not be rejected.
- The spreading of experience by means of information technologies is both interesting and feasible, as was pointed out in Fez in 1998. However, other alternatives should not be ruled out if they allow for direct contact between public and private agents of socialist cities to promote working meetings and exchange and discussion about structures of government and more efficient policies.
- In relation with the latter point, the Rosario Declaration insists on the compelling need to create a Network of Socialist Solidarity among Cities (NSSC) for initiatives aimed at generating remunerated work in the short term. The creation of such solidarity between socialist cities would be an excellent example to stimulate the broader initiative which was once proposed by Habitat-UN and a group of cities with the same intention of generating solidarity.
- The creation of that NSSC could be supported by the international cooperation funds included in the budgets of some cities or regions with socialist administrations. In fact, the Spanish region of Extremadura made an important contribution to the Municipality of Rosario's ability to implement the 'Oportunidad' programme for education and training for young people in situations of social risk. There could be more examples like this to put into practice the principles of decentralised cooperation and international solidarity between cities.
- Those international cooperation funds would have other possible applications, such as the exchange of experiences in employment creation such as the following:
 1. Employment programmes and local tax policies (including new trades, employment services and other official activity).
 2. Development agencies for the growth of the private sector and the improvement of tax policies.
 3. Harmonisation of national, provincial and municipal resources devoted to employment creation.
 4. Urban policies for the education and training of workers.